

Frequently Asked Questions (FAQs)

on Bank Indonesia Circular Letter No. 9/ 21 /DPM dated September 26, 2007, concerning Second Amendment to Bank Indonesia Circular Letter No. 6/7/DPM dated February 16, 2004, concerning Short-term Funding Facilities for Commercial Banks

Q. What are the requirements of collateral held by a Bank in the form of SBI and/or SUN to request for FPJP?

- A. The requirements of collateral in the request for FPJP are as follows.
- a. The trade value of collateralized SBI and/or the market value of collateralized SUN shall be based on the calculation as referred to the provisions in this Circular Letter.
 - b. The collateralized SBI shall hold a remaining days to maturity of at least 3 (three) working days.
 - c. The collateralized SUN shall hold a remaining days to maturity of at least 10 (ten) working days.

Q. By the enactment of the second amendment to Bank Indonesia Circular Letter concerning FPJP, which types of securities may be used as the collateral to obtain FPJP facilities?

- A. The securities which may be used as the collateral to obtain FPJP are :
- a. SBI held by Bank.
 - b. SUN held by Bank, comprising Treasury Bond with Coupon, Treasury Bond without Coupon, and Treasury Bill.

Q. How is the calculation of the market value of SUN and/or trade value of SBI to be collateralized to obtain FPJP?

- A. The calculation of collateral value in obtaining FPJP shall be as follows.
- a. The value of collateralized securities shall be stipulated by Bank Indonesia based on the SBI trade value or SUN market value upon the request for initial FPJP or extension of FPJP or conversion of FLI to FPJP.
 - b. The SBI trade value and/or SUN market value shall be based on the trade value and market value of respective securities.
 - c. Each price of the securities shall be stipulated by Bank Indonesia based on specific theoretical price formulation as contained in the BI-SSSS.

Q. How ...

Q. How much is the SBI trade value or SUN market value to be provided by a Bank to obtain FPJP in covering a negative balance in demand deposit account of the Bank?

- A. The value of collateralized SBI or SUN to obtain FPJP in effort of covering a negative balance in the demand deposit shall be as follows.
- a. For collateral in the form of SBI, at least 100% (one hundred percent) of FPJP value.
 - b. For collateral in the form of SUN, at least 105% (one hundred and five percent) of FPJP value.

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